

BS:CT

4 March 2014

Manager of Company Announcements
ASX Limited
Level 5, 123 Eagle Street
Brisbane QLD 4000

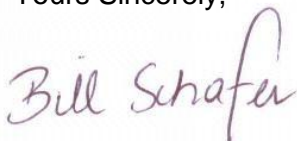
Dear Sir/Madam

Wide Bay Australia Limited (WBB) – Investor Presentation

Please find attached an investor presentation to be presented to analysts and representatives of institutional investors.

The presentation provides a review of Wide Bay Australia's operating activities, strategic initiatives and performance.

Yours Sincerely,



Bill Schafer
Company Secretary

Wide Bay Australia Ltd

Investor Presentation

March 2014



Financial Overview

▶	Statutory NPAT \$7.190m for 1H14, up from \$5.557m in 1H13
▶	Capital for the group at 14.2%, in excess of the Board target of 13.0%
▶	Mortgage Risk Management Pty Ltd (MRM) NPAT \$0.841m, up from net loss of \$0.994m in 1H13
▶	Provisions in MRM strong at \$8.4m, after clearing \$2.6m of bad debts in 1H14
▶	Loan book at \$2.193b, down from \$2.229b at 30 June 2013
▶	Loans with arrears >90 days \$16.9m, down from \$34.0m at 30 June 2013 (excluding effects of hardships)
▶	On target to meet consolidated statutory NPAT for 13/14 of \$13m-\$14m

Strategic Initiatives

	Risk & Compliance	
	1st party sales & distribution	
	3rd party sales & distribution	
	Business banking	
	Sales and leadership training	
	IT initiatives	
	Branch refurbishment	
	Banking license	

Strategic Initiatives

SALES & DISTRIBUTION

Productivity

- ▶ Lenders – 3 loans per week
- ▶ Needs analysis – 2 per day
- ▶ Open feedback and Observation
- ▶ Improved branch efficiency

Profitability

- ▶ Achieve market guidance
- ▶ Build revenue - all sources
- ▶ Effective cost control strategies
- ▶ Efficient use of resources

Balance Sheet

- ▶ Quality asset growth
- ▶ Prudent liability management
- ▶ Greater market share in core region
- ▶ Strong funding and capital positions

Net Customer Growth

- ▶ Increase products/customer
- ▶ Net growth in customer no's
- ▶ Greater customer satisfaction
- ▶ Increase revenue per customer

People

- ▶ High performance sales culture
- ▶ Talent identification and retention
- ▶ Target “other Brands” recruitment
- ▶ Staff Survey – Industry leading

Brand

- ▶ Increased Awareness
- ▶ Heartland Presence

Strategic Initiatives

3rd PARTY & STRATEGIC ALLIANCES

Optimising relationships with the Aggregators



- Raising prominence with aggregators



- Lift market share .5% to 1.5% within 12 months

Broker penetration



- Presenting at Personal Development days monthly



- Lift flows from brokers in capitals and Central Qld

Process efficiency



- Streamlined application process and documentation checklist



- More controls to ensure risk settings match our appetite

Engagement model efficiency



- Centralised model from Toowong & Robina with national focus



- Maintain relationships through periodic visits



- Transactions are facilitated electronically



- Broker experience monitored and continually improved

Differentiation



- "We are a Genuine National Alternative that provides Speed to Yes"



- The Broker Loans Consultant controls each transaction



- Product differentiation

Strategic Initiatives

BUSINESS BANKING

Operational



- Maximise the opportunity of our existing client base



- Face to Face campaign with local accountants



- Increasing the robustness of our risk management



- Expansion of our business banking products and services



- Expansion of electronic assessment / tracking tools for sales team

Strategic



- Build an operational platform for 'Productive Simplicity'



- To be seen as an 'educational' brand to SME segment



- Development of a Strategic Industry (Body) Partnership



- Be committed, adjust and remain nimble

Strategic Initiatives

INFORMATION TECHNOLOGY

Online Capability



- Straight-through processing' (STP) platform for Savings and Home loan accounts



- Improved online banking service



- New and improved payments option
 - pay to email, SMS, mobile



- Introduction of internet banking for Business Banking customers

Systems Upgrade



- Ultracs 4 project in progress to deliver
 - consolidated CRM
 - document/workflow management
 - system consolidation



- Lending system
 - Broker straight-through processing
 - Valuer STP straight-through processing

Branch Technology Transformation



- Refresher of branch IT devices completed
 - provide customers with more easy and efficient way of banking

Strategic Initiatives

HUMAN RESOURCES

Performance Measurement

- ▶ Introduction of Performance Measurement System
- ▶ Introduction of Job descriptions and KPI's
- ▶ Half yearly automated staff performance appraisal
- ▶ Processes to manage underperformance

Remuneration & Rewards

- ▶ half yearly employee engagement surveys
- ▶ Enhance retention and productivity
- ▶ 1st & 3rd Party incentive programmes
- ▶ Introduction of pay banding in 3rd quarter 2014










Technology Utilisation

- ▶ New Payroll & HR system implemented
- ▶ Automated HR functionality - increased efficiency
- ▶ E-Learning Integration 4th Quarter 2014

Learning Development

- ▶ Increased expenditure on training
- ▶ Management development & leadership training
- ▶ Formal sales training rollout to branch 2nd quarter 2014

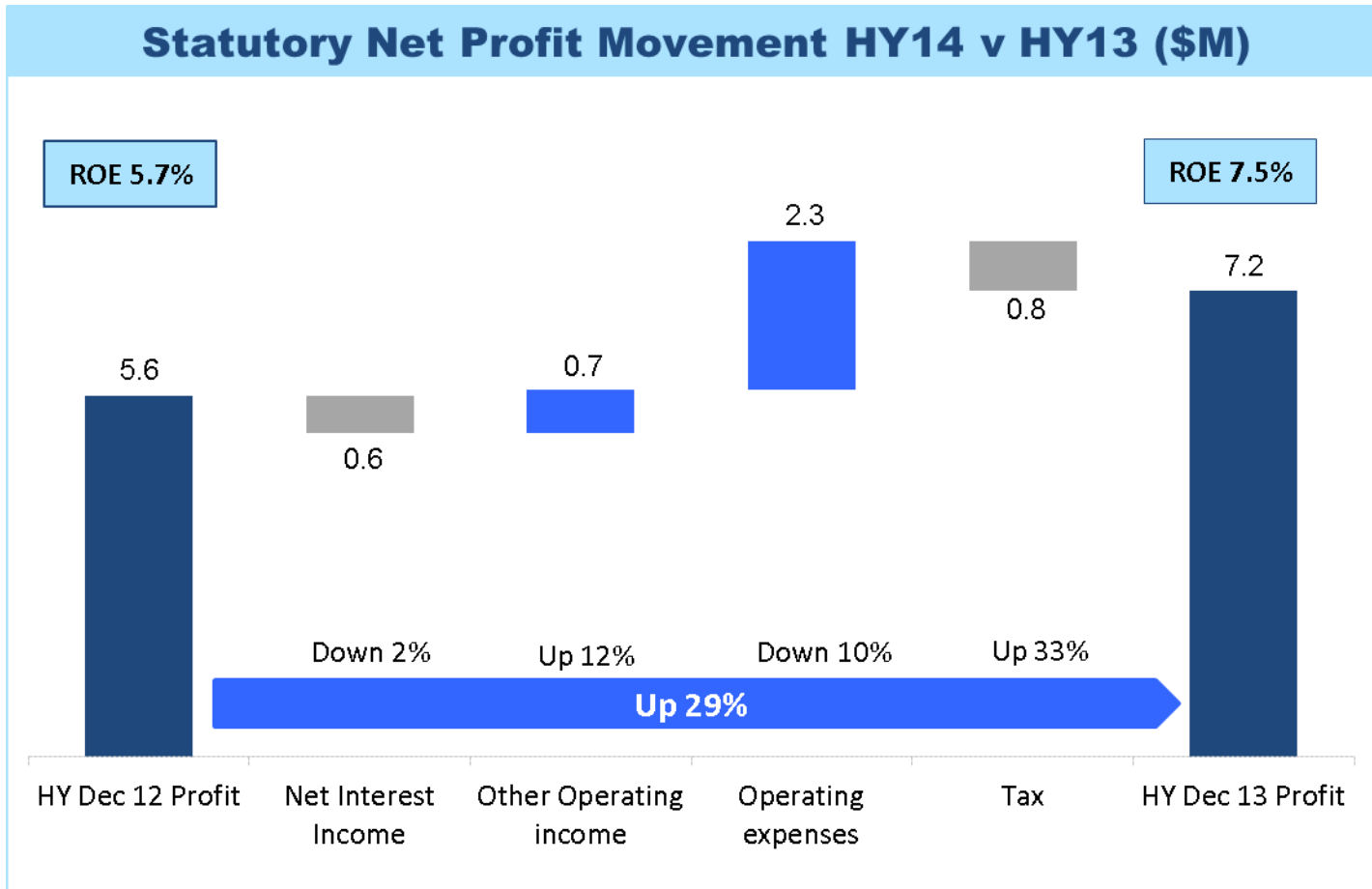
Financial Performance Summary

	DEC 13 \$M	DEC 12 \$M	Change DEC13 v DEC12
Net interest income	25.0	25.6	 2.2%
Non interest income	6.2	5.5	 12.3%
Total income	31.2	31.1	 0.3%
Operating expenses	20.8	23.1	 9.9%
Profit before tax	10.3	7.9	 30.2%
Income tax expense	3.1	2.3	 33.3%
Statutory Net Profit after tax	7.2	5.6	 29.2%
Loans (\$bn)	2.19	2.20	 0.2%
Deposits (bn)	1.75	1.68	 4.5%

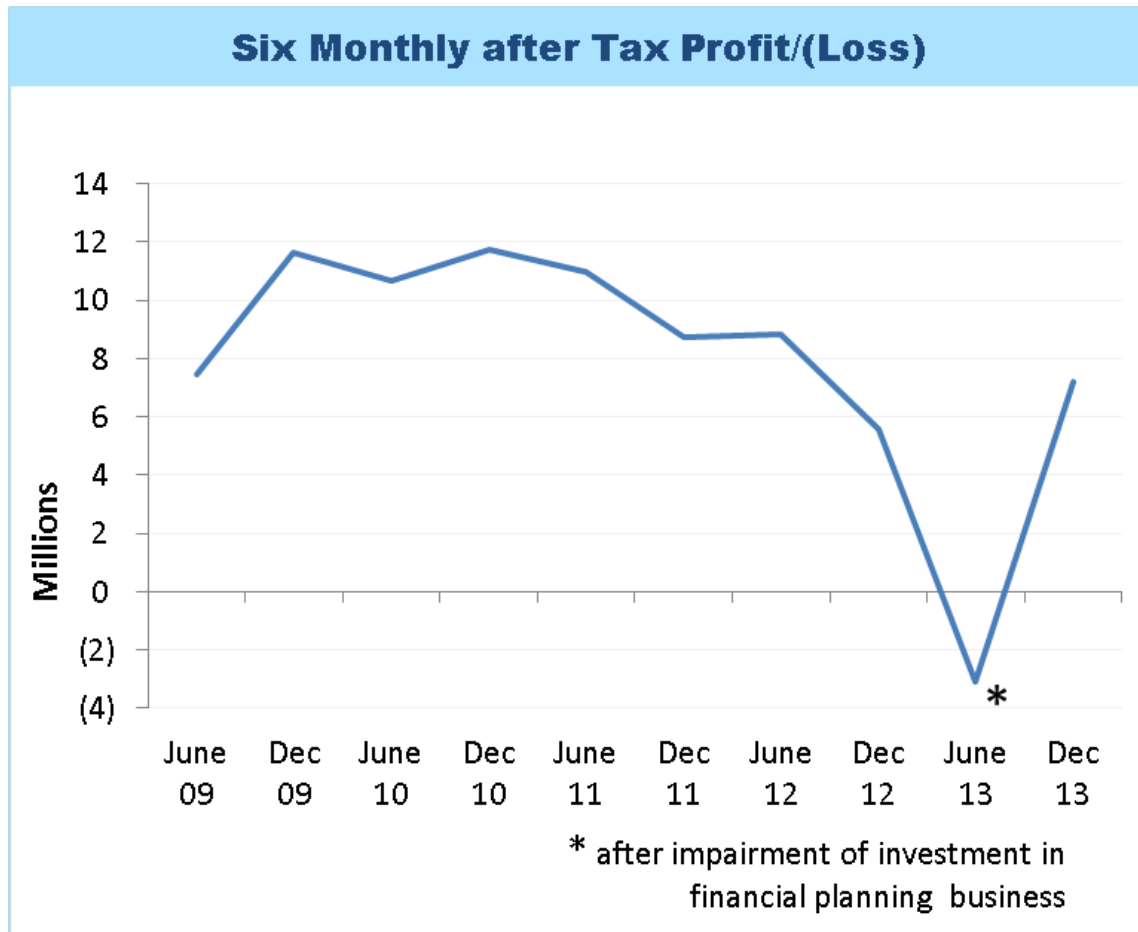
Financial Performance Summary

	DEC 13	DEC 12	Change DEC13 v DEC12
Return on Equity (ROE)	7.5%	5.7%	▲ 180 bpts
NIM	1.74%	1.73%	▲ 1 bpts
Cost to Income (Chief Entity)	69.3%	69.0%	▲ 30 bpts
Cost to Income (Consolidated)	66.9%	74.5%	▼ 760 bpts
Capital Adequacy Ratio	14.2%	13.5%	▲ 70 bpts
Earnings per share (cents)	19.84	15.37	▲ 4.47
Dividend per Share (cents)	13.00	13.00	

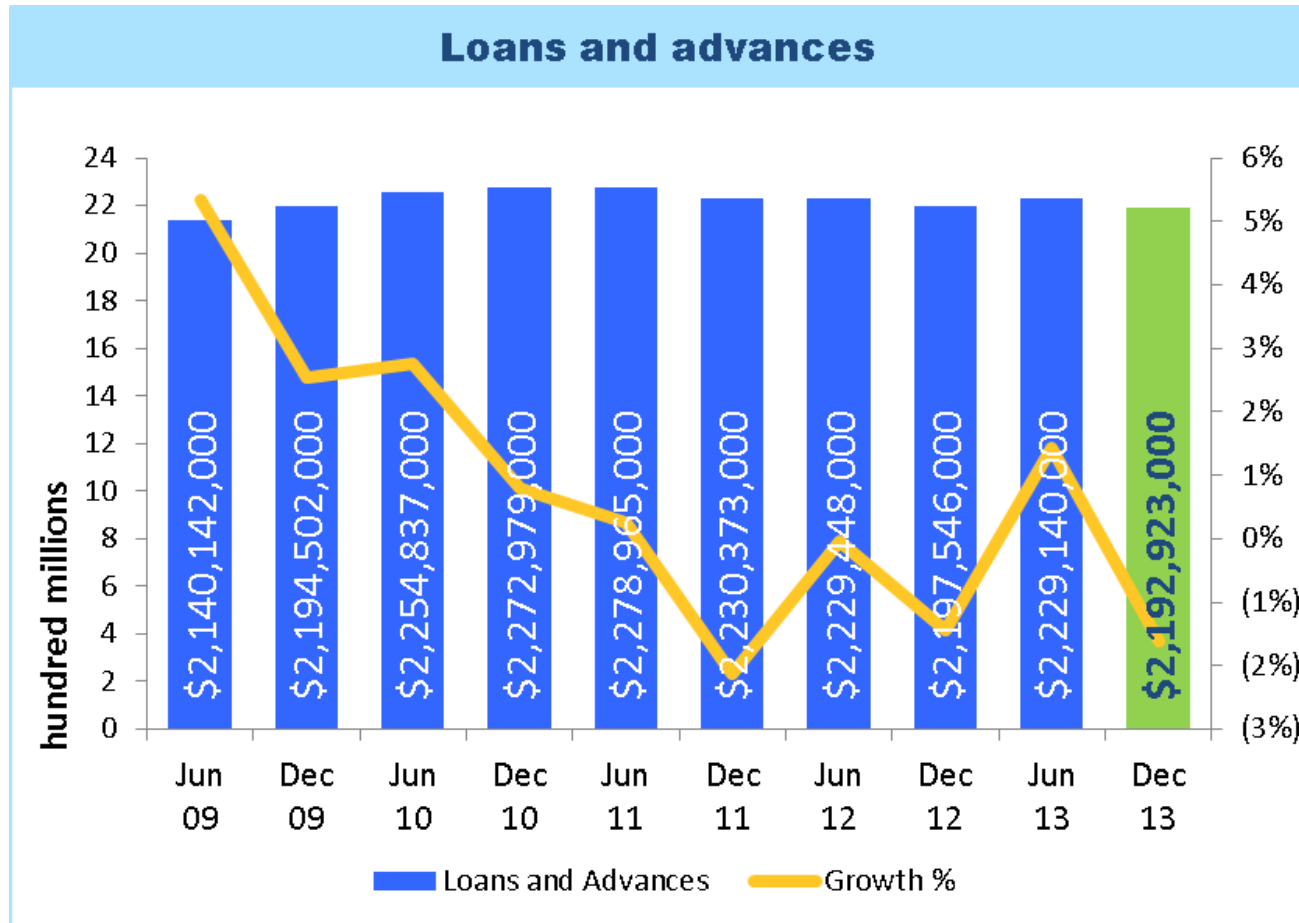
Financial Performance Summary



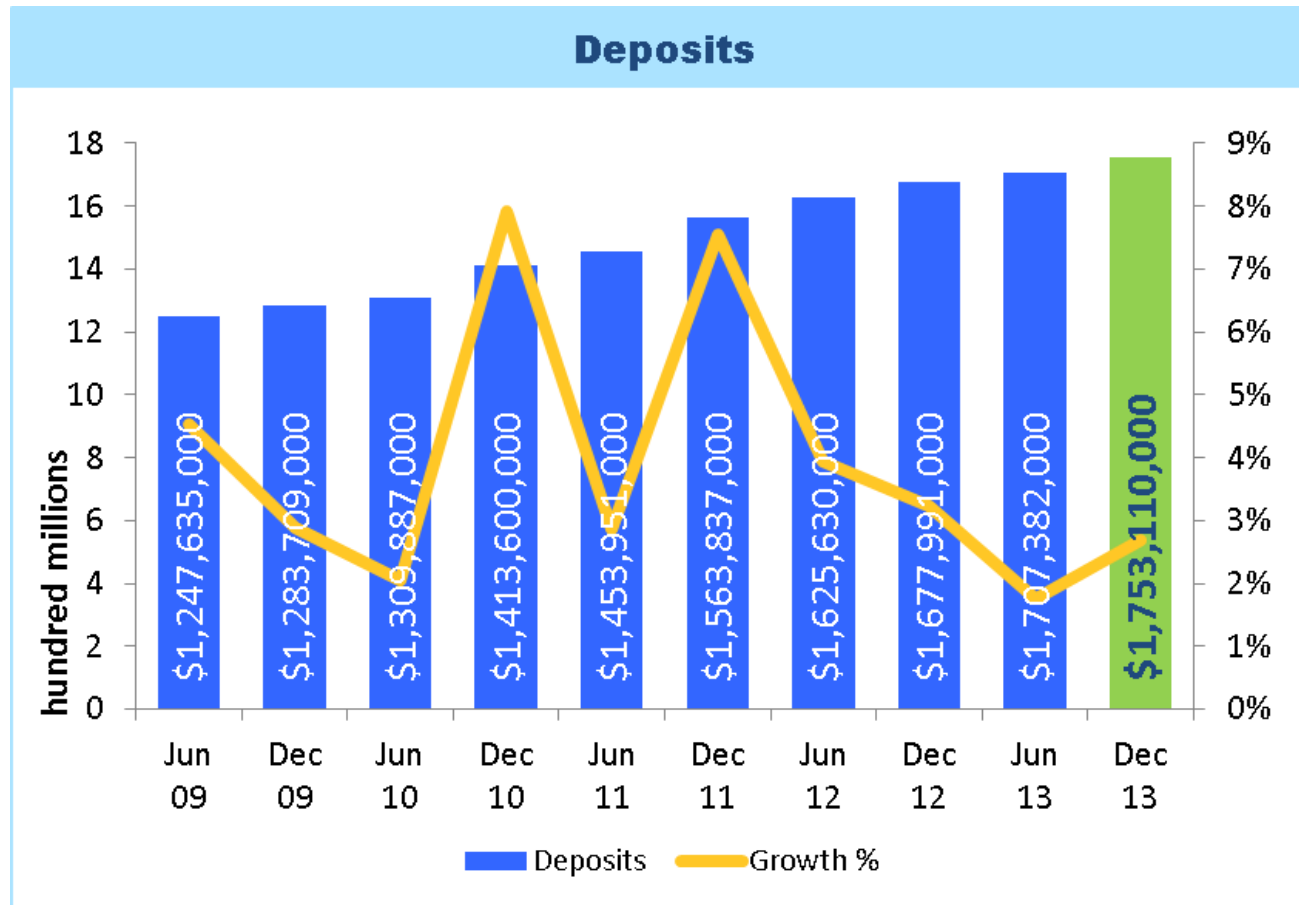
Six Monthly Profit Analysis



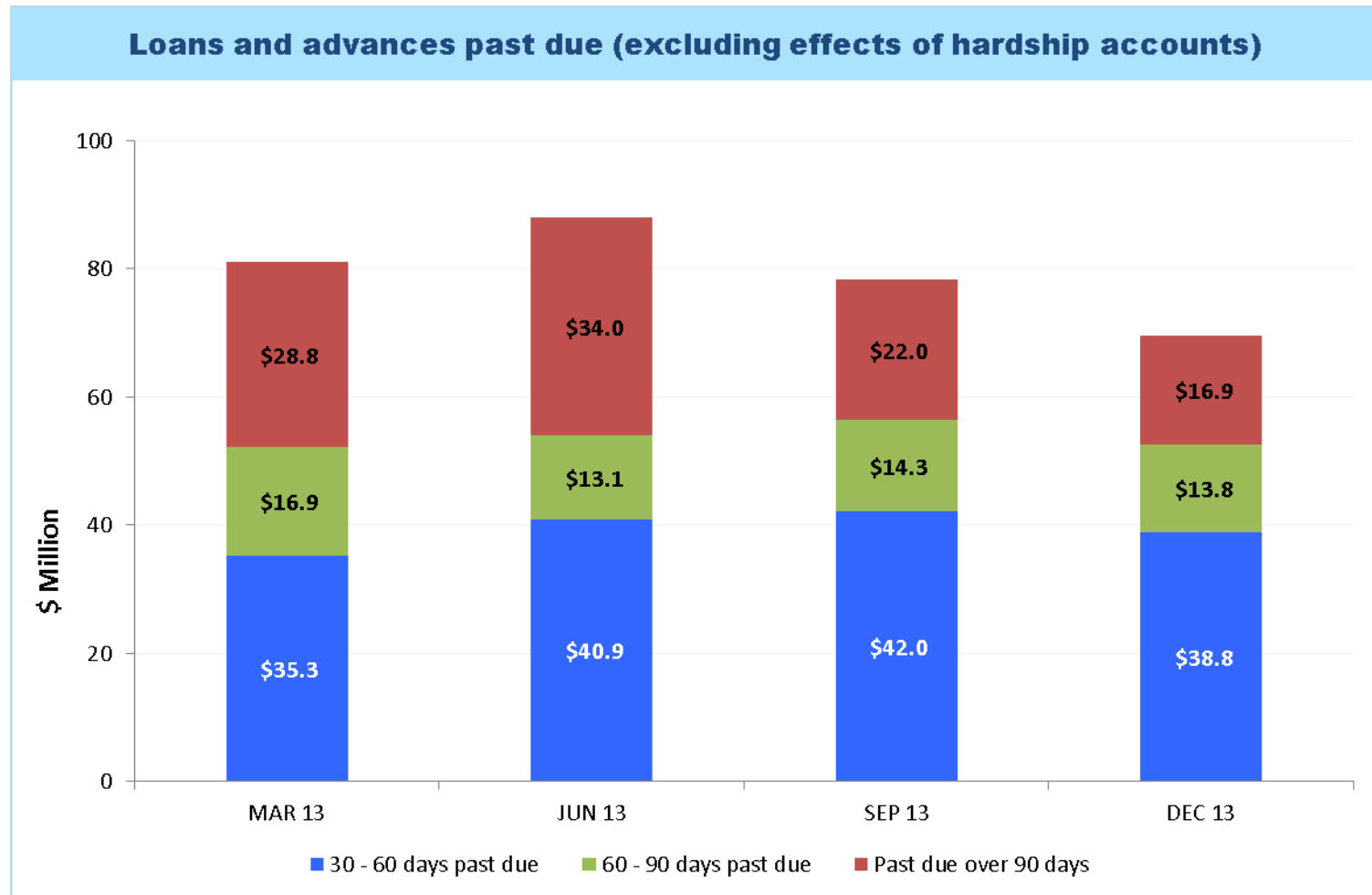
Balance Sheet Performance



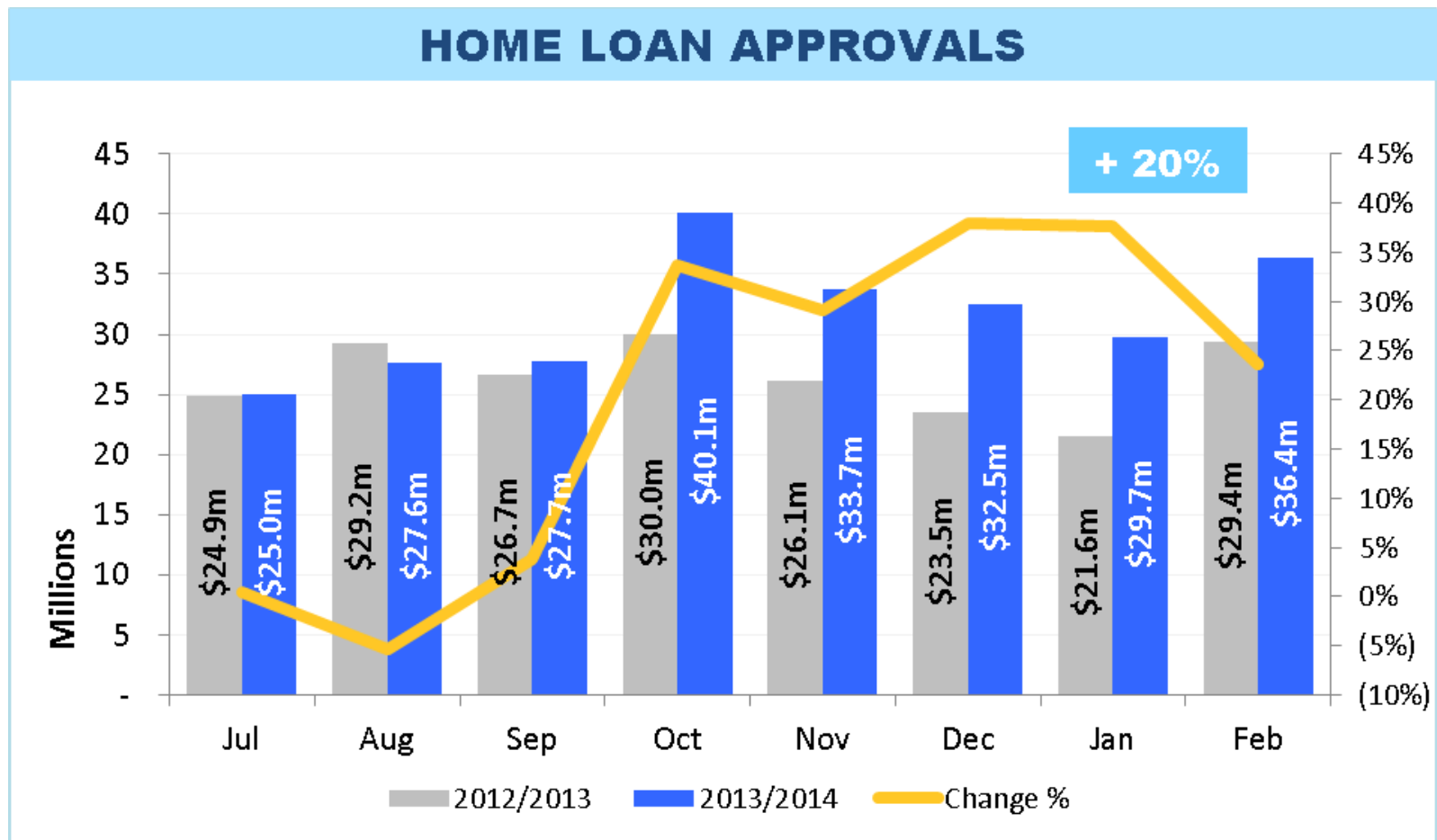
Balance Sheet Performance



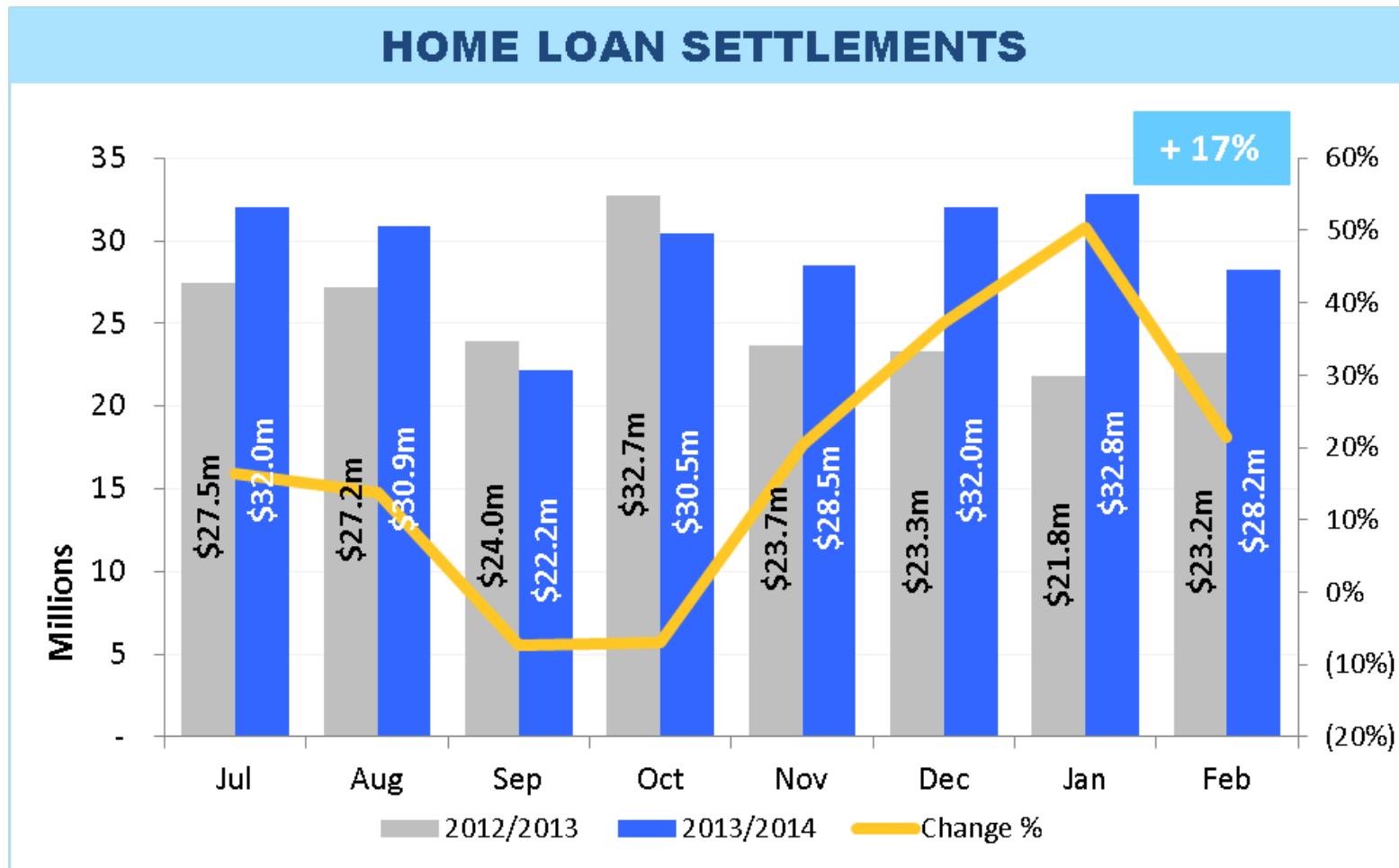
Loan Arrears



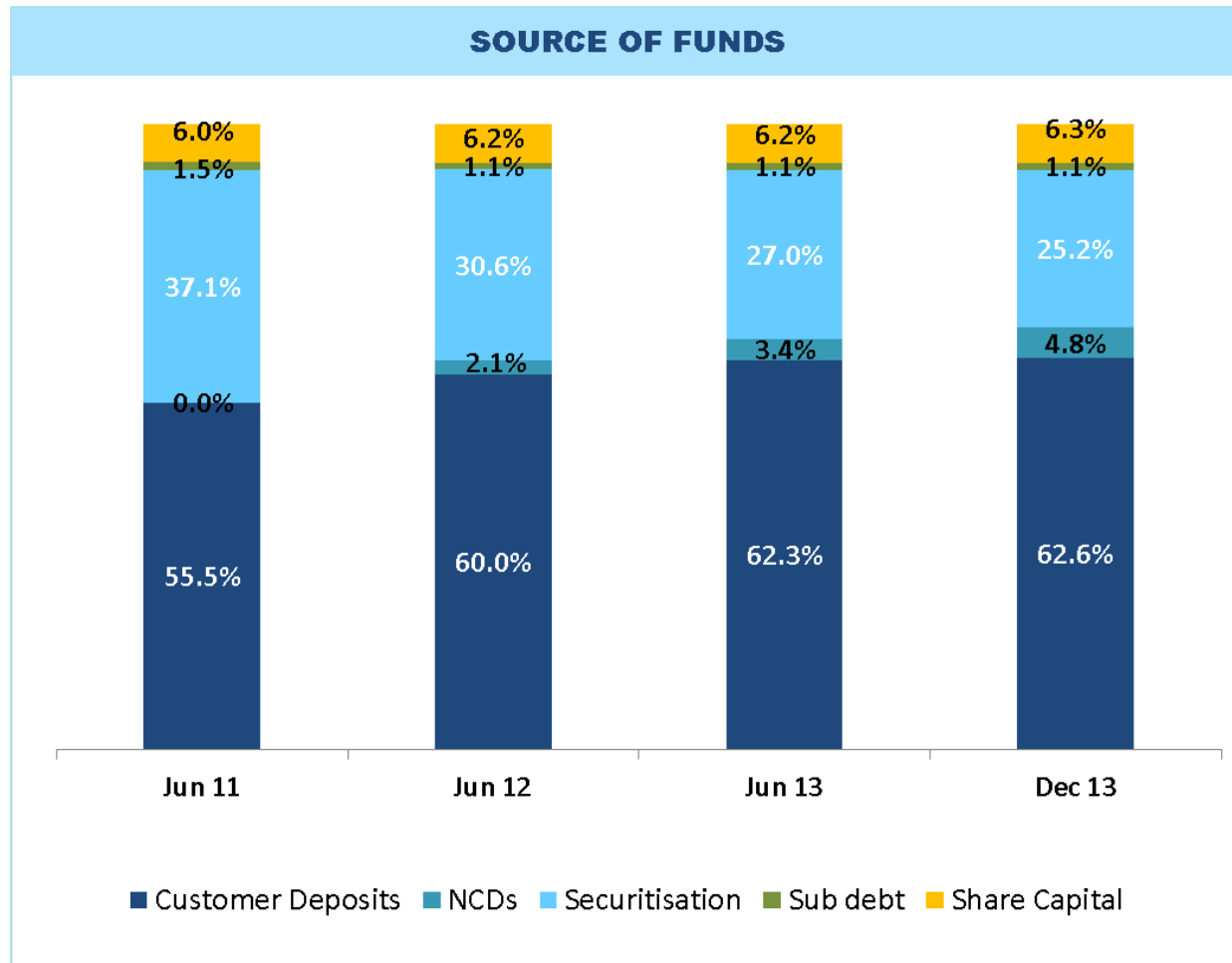
Loan Approvals



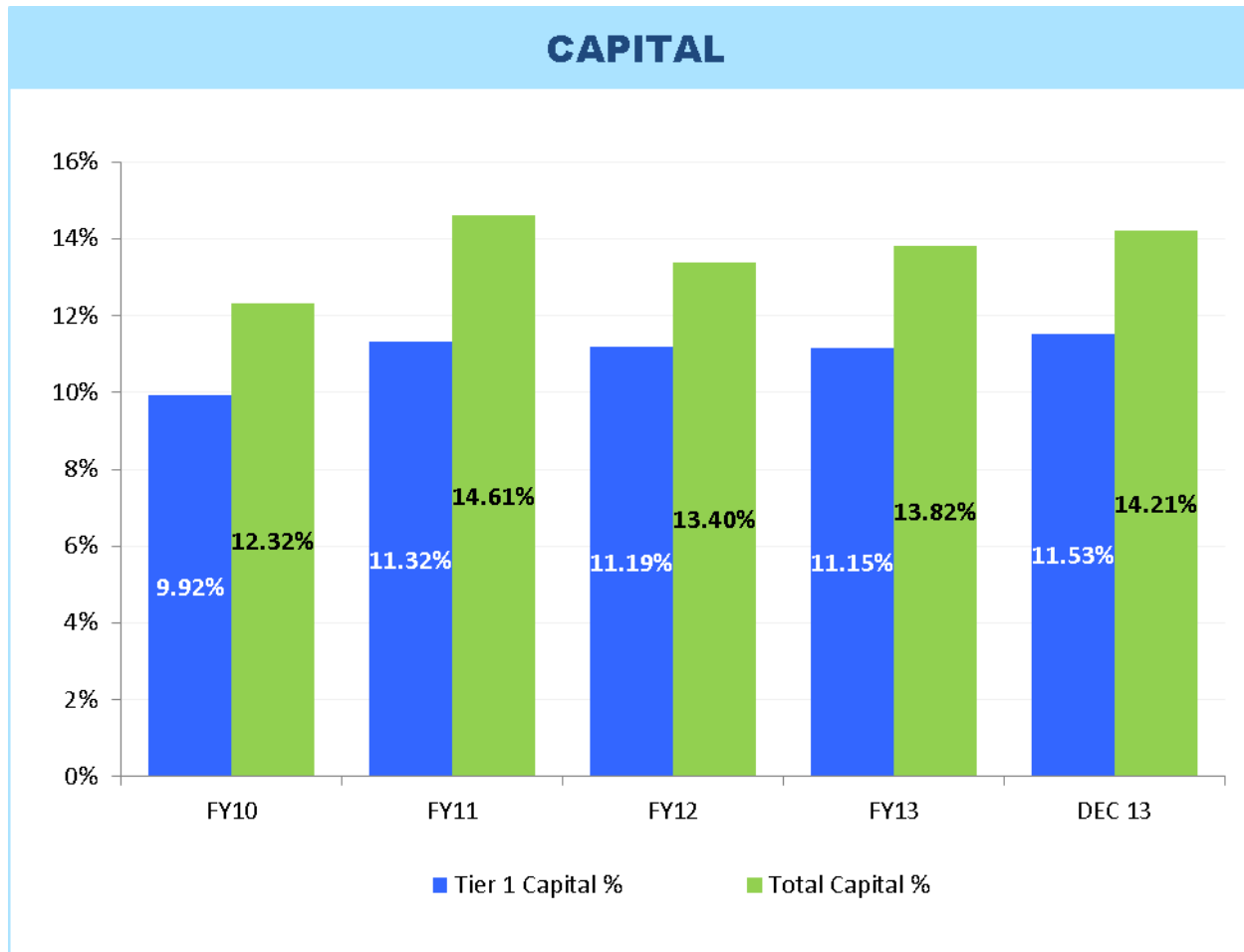
Loan Settlements



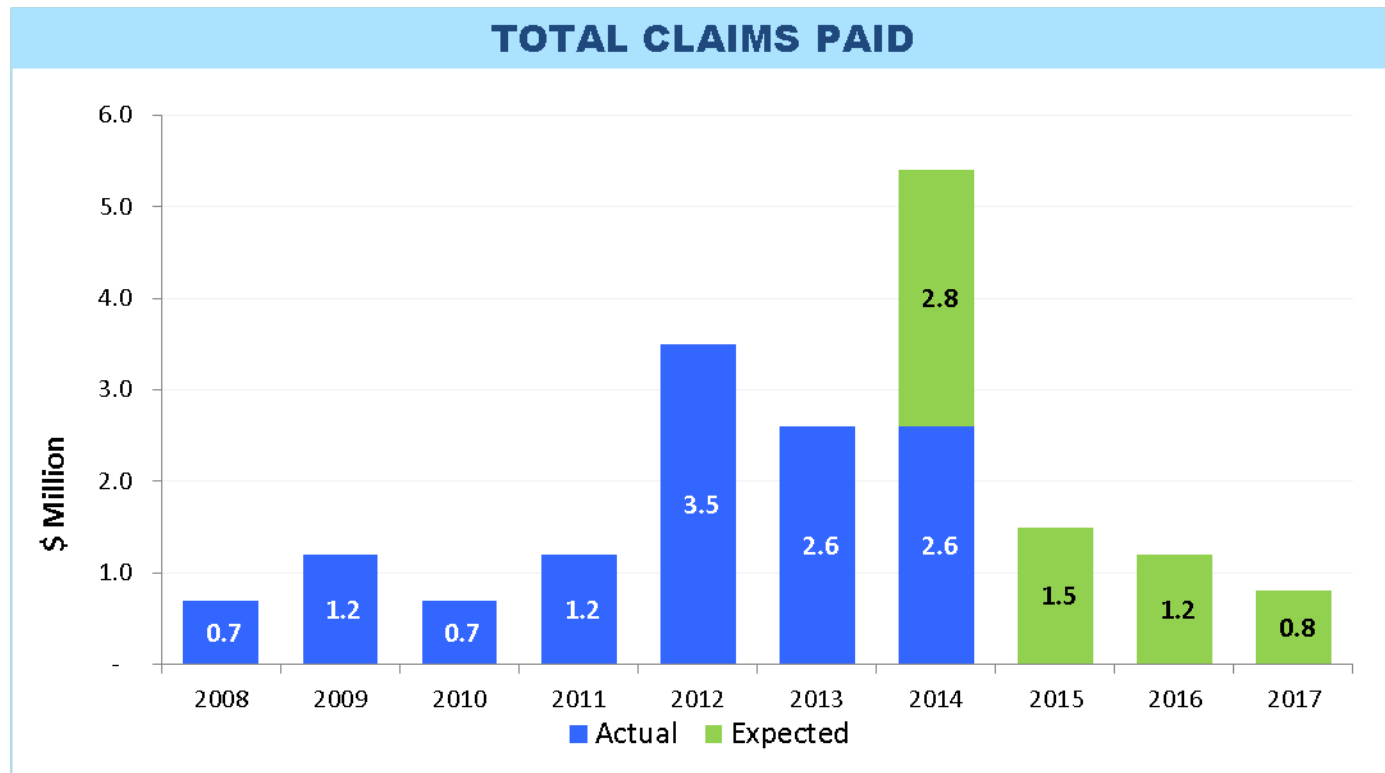
Funding Mix Analysis



Capital Position



Mortgage Risk Management Pty Ltd



The 'actual' claims (blue) represent the payments for actual claims made on bad debts in the financial year.

The 'expected' claims (green) represent the forecast claims in the next 4 years based on mortgagees in possession, arrears on past due loans and arrears on 'hardship' accounts.

MRM has \$8.4m in provisions set aside at 31 Dec 2013, after \$2.6m of claims were expensed in 1H14.

Important Notices

This Presentation has been prepared for Wide Bay Australia Ltd ABN 40 087 652 060, Australian Financial Services and Australian Credit License Number 239686, ASX Code WBB. The information is current as at 4 March 2014.

Financial amounts

All dollar values are in Australian dollars (A\$) and financial data is presented as at the date stated. Pro-forma financial information and past information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of WBB's views on its future financial condition and/or performance. Past performance, including past trading or share price performance, of WBB cannot be relied upon as an indicator of (and provides no guidance as to) future WBB performance including future trading or share price performance.

Future performance

This Presentation contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of WBB, and may involve significant elements of subjective judgment as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.